

POLICY DOCUMENT

CODE OF CONDUCT FOR BOARD MEMBERS, SENIOR MANAGEMENT PERSONNEL AND EMPLOYEES | VER 1.0



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1.1 PURPOSE

The purpose of the code is to serve as a guide to the Directors, Senior Management personnel and Employees of Ahasolar Technologies Limited on principle of integrity, transparency, business ethics and to set up standard for compliance of corporate governance.

1.2 APPLICABILITY OF CODE OF CONDUCT

Pursuant to the requirements of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this Code is approved by the Board of Directors.

The Code is applicable to (i) Members of the Board/ Directors and (ii) Senior Management (iii) Employees.

“Senior Management” shall mean officers/personnel of the Company who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager, in case they are not part of the Board) and Company Secretary and Chief financial officer.

Also, this code is applicable to all employees working with the company.

1.3 GUIDELINES

The Directors, Senior Management personnel and Employees must act in good faith and in such manner as they reasonably believe to be in the best interest of the Company. The Directors, Senior Management personnel and Employees are also expected to:

- a. Comply with all applicable law, regulations, confidentiality obligation and other corporate policies of the Company,
- b. Follows all policies, procedures, and internal control of the Company,
- c. Act honestly, in good faith and in the best interest of the Company.

1.4 HONESTY AND INTEGRITY

All the Directors, Senior Management personnel and Employees of the Company shall conduct their activities on behalf of the Company and on their behalf with honesty, integrity and fairness. The Directors, Senior Management personnel and Employees of the Company will act in good faith, responsibility with due care, competence and diligence without allowing their independent judgement to be subordinated. The Directors, Senior Management personnel and Employees of the Company will act in the best interest of the Company and fulfill the fiduciary obligations.

1.5 CONFLICT OF INTEREST

The Director and Senior Management Personnel of the Company should not enter into any transaction or engage in any practice, directly or indirectly, that would tend to influence him/her to act in any manner other than in the best interest of the Company. Every Directors, Senior Management personnel and Employees should make a full disclosure to the Board of any transaction that they reasonably expect, could give a rise to an actual conflict of interest with the Company and seek the Board's authorization to pursue such transactions.

1.6 COMPANY'S PROPERTY (IES)

Every Director and Senior Management Personnel should endeavour to ensure that they use the Company's asset, proprietary information, and resource only for the legitimate business purpose of the Company and not for personal gain.

1.7 CONFIDENTIAL INFORMATION

The Directors, Senior Management personnel and Employees should maintain confidentiality of information entrusted to them to carry out their duties and responsibilities. The matters discussed at the Board/Committee Meetings must not be discussed outside appropriate and reasonable circles. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personnel gain or advantage of any Director. These obligation does not only apply to the Directors Term's but thereafter unless the said information become public.

1.8 ACCURACY OF COMPANY BOOKS AND RECORDS

Directors, Senior Management personnel and employees are expected to be truthful and accurate in their accounting practices. All the transactions done on behalf of the company shall be reported to accounting department adequately in a timely manner with relevant supporting documents.

1.9 GIFTS, BRIBES AND ENTERTAINMENT

None of the Directors, Senior Management personnel and employees shall have non-official cash, cheque, loans or other similar monetary transactions with customers, vendors, suppliers or others who have a business relationship with the company. The management and the employees shall refrain from receiving or making any illegal payments in cash or in kind.

In extreme cases where non-acceptance of a gift by an officer of the Group may be considered contrary to the local customs, or may affect the company adversely, it is required that the recipient deposits the gift with the company's Human Resources Department to be shared with other Employees of the company.

The Company has zero tolerance towards any acts of bribery. Hence, the company will investigate any instances of bribery and will take disciplinary and other appropriate actions accordingly.

1.10 FAIR DEALING

The Directors, Senior Management personnel and Employees should endeavour to deal fairly and not seek to take unfair advantage of the Company through manipulation, concealment abuse of privileged information, misrepresentation of material fact or any other unfair dealing.

1.11 COMPLIANCE WITH RULES AND REGULATIONS

The Directors, Senior Management personnel and Employees should comply with all applicable laws, rules and regulations for the time being in force. In addition, if any Director become aware of any information that he/she believes constitutes evidence of a material violation of any securities or other laws, rules and regulations applicable to the Company or the operation of its business, by the Company or any employee or another director, then such director should bring such information to the attention of the Chairman of the audit committee.

1.12 INSIDER TRADING

None of the Directors or Senior Management Personnel shall derive any benefit nor assist others to deriving benefit by giving investment advice from access to and possession of information about the Company, which is not a public domain and constitute insider information. All Directors, Senior Management personnel and Employees will comply with the Company's code for prevention of insider trading which is separately attached.

1.13 DUTIES OF DIRECTORS

Every Directors of the Company shall endeavour to comply with the provisions of Section 166 of the

Companies Act, 2013 relating to duties of directors.

In addition, Independent Director shall also perform the duties as prescribed in Schedule IV to the Companies Act, 2013, as amended from time to time.

1.14 NON-COMPLIANCE

Suspected violation of the code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violation shall be appropriately investigated. Any waiver of this code must be approved by the Board of Directors and publicly disclosed if required by any applicable law or regulation.

1.15 ADDITIONAL CODE FOR INDEPENDENT DIRECTORS

The Independent Directors, in addition to the compliance with this Code, shall also comply with and adhere to the Code for Independent Directors framed in accordance with the provisions of the Companies Act, 2013 and forming part of this Code and enclosed as “Annexure -I”.

Policy Prepared on
30-Jan-23
Policy Prepared by

Policy Approved on
30-Jan-2023
Policy Approved by

Signature
Vrunda Patel
Company Secretary

Signature
Piyush Bhatt
Managing Director

ANNEXURE – I

CODE FOR INDEPENDENT DIRECTORS

This Code is a guide to professional conduct for independent directors and the independent directors are expected to adhere to these standards and fulfill their responsibilities in a professional and faithful manner.

This Code shall form part of the Code of Conduct for Board of Directors and Senior Management.

A. Guidelines of Professional Conduct:

- i. uphold ethical standards of integrity and probity
- ii. act objectively and constructively while exercising his duties;
- iii. exercise his responsibilities in a bona fide manner in the interest of the company.
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- vi. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- ix. assist the company in implementing the best corporate governance practices.

B. Role and functions:

The independent directors shall:

- i. help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- ii. bring an objective view in the evaluation of the performance of board and management;
- iii. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- iv. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- v. safeguard the interests of all stakeholders, particularly the minority shareholders;
- vi. balance the conflicting interest of the stakeholders;
- vii. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- viii. moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

C. Duties:

The independent directors shall;

- i. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- ii. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- iii. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- iv. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- v. strive to attend the general meetings of the company;
- vi. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- vii. keep themselves well informed about the company and the external environment in which it operates;
- viii. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- ix. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- x. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- xi. report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- xii. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- xiii. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

D. Manner of Appointment:

- i. Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- ii. The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- iii. The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Act and the rules made there under and that the proposed director is independent of the management.
- iv. The appointment of independent directors shall be formalized through a letter of appointment, which shall set out;

- a) the term of appointment;
- b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;
- c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
- d) provision for Directors and Officers (D and O) insurance, if any;
- e) the Code of Business Ethics that the company expects its directors and employees to follow;
- f) the list of actions that a director should not do while functioning as such in the company; and
- g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.

E. Re-Appointment:

The re-appointment of independent director shall be on the basis of report of performance evaluation.

F. Resignation or removal:

- i. The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Act.
- ii. An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within three months from the date of such resignation or removal, as the case may be.
- iii. Where the company fulfills the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

G. Separate Meetings:

- i. The independent directors of the company shall hold at least one meeting in a financial year, without the attendance of non-independent directors and members of management;
- ii. All the independent directors of the company shall strive to be present at such meeting;
- iii. The meeting shall;
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

H. Evaluation Mechanism:

- i. The performance evaluation of independent directors shall be done by the entire

Board of Directors, excluding the director being evaluated.

- ii. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.